

Message Text

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73

ACTION EUR-25

INFO OCT-01 ADP-00 AID-20 CEQ-02 CIAE-00 COA-02 COME-00

DODE-00 EB-11 EPA-04 INR-10 IO-13 L-03 NSF-04 NSC-10

NSAE-00 PM-07 RSC-01 SCI-06 SS-15 H-03 PA-03 PRS-01

USIA-15 SCEM-02 INT-08 CG-00 FMC-04 TRSE-00 CIEP-02

RSR-01 /173 W

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R 242200Z JUL 73

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 1397

UNCLAS SECTION 1 OF 2 OTTAWA 1706

E.O. 11652: N/A

TAGS: ENRG, CA, US

SUBJECT: ARCTIC PIPELINES

BEGIN SUMMARY: DURING HOUSE OF COMMONS QUESTION PERIOD JULY 24, EXTAFFMIN SHARP DENIED STATEMENTS BY U.S. OFFICIALS TO EFFECT THAT GOC REFUSED TO DISCUSS PIPELINES IN 1970. SHARP SAID THAT POSITION AT THE TIME WAS THAT GOC WOULD WELCOME APPLICATION TO NATIONAL ENERGY BOARD (NEB) BY AMERICAN FIRMS TO BUILD OIL PIPELINE DOWN MACKENZIE VALLEY. HE REFUSED TO BE PINNED DOWN ON PRECISE DATE OF ESTABLISHMENT GOC POSITION ON PIPELINE OWNERSHIP BUT AGREED WITH PREVIOUS STATEMENTS BY ENERGY, MINES & RESOURCES MINISTER MACDONALD FIXING DATE AT "LAST SUMMER." HE SAID GOC CONCERN REGARDING TAPS WAS NOT ON CONSTRUCTION OF LINE ITSELF, BUT POLLUTION DANGER INVOLVED WITH TANKER PASSAGE THROUGH STRAITS OF JUAN DE FUCA EN ROUTE CHERRY POINT REFINERY, ADDING "WE HAVE ONLY BEGUN TO FIGHT ON THS ISSUE." END SUMMARY

1. TEXT OF PORITIONS UNEDITED TRANSCRIPT FROM HOUSE OF UNCLASSIFIED

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COMMONS QUESTION PERIOD JULY 24 DEALING WITH OIL

PIPELINES FOLLOWS: BEGIN QUOTE HON. ROBERT L. STANFIELD (LEADER OF THE OPPOSITION): MR. SPEAKER, I WISH TO DIRECT A QUESTION TO THE ACTING PRIME MINISTER ON THE SUBJECT OF A PIPE LINE TO MOVE OIL FROM ALASKA TO THE MAIN BODY OF THE UNITED STATES. MAY I ASK WHETHER, BACK IN 1970, THE GOVERNMENT OF CANADA TOOK THE POSITION THAT THIS WAS NOT EVEN A SUBJECT THAT COULD BE DISCUSSED. I ASK THIS QUESTION BECAUSE, ALTHOUGH IT RELATES TO THREE YEARS AGO, IT IS OF CURRENT IMPORTANCE TO CANADA TODAY.

HON. MITCHELL SHARP (ACTING PRIME MINISTER): MR. SPEAKER, THE ANSWER TO THAT QUESTION IS, NO.

MR. STANFIELD: A SUPPLEMENTARY QUESTION, MR. SPEAKER. I WOULD ASK THE ACTING PRIME MINISTER WHAT POSITION THE GOVERNMENT OF CANADA TOOK IF THE POSITION AS DESCRIBED AND ATTRIBUTED TO THE GOVERNMENT OF CANADA BY A SENIOR OFFICIAL OF THE UNITED STATES IS DENIED NOW BY THE PRIME MINISTER. PERHAPS THE ACTING PRIME MINISTER COULD TELL THE HOUSE BRIEFLY WHAT POSITION THE GOVERNMENT OF CANADA TOOK.

MR. SHARP: MR. SPEAKER, THE POSITION THAT THE GOVERNMENT HAS TAKEN IS THAT WE WOULD WELCOME AN APPLICATION BY THE AMERICAN OIL COMPANIES TO BUILD AN OIL PIPE LINE DOWN THE MACKENZIE VALLEY. THIS APPLICATION SHOULD, UNDER THE LAWS APPROVED BY THIS PARLIAMENT, BE MADE TO THE NATIONAL ENERGY BOARD.

MR. STANFIELD: A FURTHER SUPPLEMENTARY QUESTION, MR. SPEAKER. AS IN MAY, 1972, OUR POSITION WAS APPARENTLY EXPRESSED ON A COMPREHENSIVE BASIS TO THE UNITED STATES AUTHORITIES, CAN THE ACTING PRIME MINISTER TELL THE HOUSE WHETHER AT THAT TIME CANADA'S POSITION WITH REGARD TO THE OWNERSHIP OF SUCH PIPE LINE WAS AS SET FORTH IN THE MESSAGE SENT TO THE UNITED STATES EMBASSY EARLY IN JULY OF THIS YEAR? WAS THAT POSITION WITH REGARD TO OWNERSHIP PUT FORTH AS PART OF OUR COMPREHENSIVE POSITION IN MAY, 1972?

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MR. SHARP: MR. SPEAKER, I CANNOT SPEAK AS TO DATES BUT I DO REAFFIRM WHAT THE MINISTER OF ENERGY, MINES AND RESOURCES SAID, THAT THE POSITION OF THE FEDERAL GOVERNMENT WITH RESPECT TO AN OIL PIPE LINE WAS SET OUT BY THE GOVERNMENT LAST SUMMER. I CANNOT SAY IN WHAT PARTICULAR MONTH THAT WAS.

MR. BARRY MATHER (SURREY-WHITE ROCK): MR. SPEAKER, MAY I DIRECT A SUPPLEMENTARY QUESTION TO THE ACTING PRIME MINISTER. HAVING IN MIND THE DISCUSSIONS GOING ON OR PENDING IN WASHINGTON AT THIS TIME FOLLOWING THE GREEN LIGHT WHICH HAS BEEN GIVEN BY THE UNITED STATES FOR THE SHIPMENT OF OIL DOWN THE PACIFIC COAST BY GIANT OIL TANKERS TO THE CHERRY POINT REFINERY, WHICH IS APPROXIMATELY 13 MILES FROM SURREY-WHITE ROCK, MAY I ASK, IS THE GOVERNMENT GIVING CONSIDERATION TO MAKING STRONG REPRESENTATIONS TO THE UNITED STATES GOVERNMENT AIMED AT THE REMOVAL OF THE CHERRY POINT REFINERY TO A POINT FARTHER SOUTH ON THE PACIFIC COAST AND FARTHER AWAY FROM CANADIAN SHORES?

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R 242200Z JUL 73

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 1398

UNCLAS SECTION 2 OF 2 OTTAWA 1706

MR. SHARP: MR. SPEAKER, PERHAPS THIS GIVES ME THE OPPORTUNITY TO CLARIFY A POINT THAT SEEMS TO BE A BIT OBSCURE. THE CANADIAN GOVERNMENT'S PRINCIPAL OBJECTION TO THE TAPS LINE PROPOSAL HAS TO DO WITH THE POSSIBILITY THAT LARGE TANKERS WOULD ENTER THE NARROW WATERS OF THE STRAIT OF JUAN DE FUCA. THE QUESTION OF WHETHER THE UNITED STATES SHOULD BUILD A PIPE LINE ACROSS ALASKA AND CARRY OIL DOWN TO CALIFORNIA IS NOT REALLY A QUESTION UPON WHICH WE

HAVE BEEN GIVEN MUCH OF AN OPPORTUNITY TO EXPRESS A VIEW. HOWEVER, WITH RESPECT TO THE NARROW WATERS OF THE STRAIT OF JUAN DE FUCA, I BELIEVE WE HAVE JUST AS MUCH INTEREST AS THE UNITED STATES. IT IS ON THIS POINT WE HAVE CENTERED OUR OBJECTIONS. I SAY TO THE HOM. MEMBER IF WE COULD REMOVE THAT PROBLEM, THE REST IS A MATTER THAT DOES NOT CONERN US DIRECTLY.

MR. STANFIELD: MR. SPEAKER, I HAVE A QUESTION FOR THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS WITH REGARD TO THE MOVEMENT OF ALASKAN OIL THROUGH THE STRAITS OF JUAN DE FUCA AND THE EFFORTS THAT THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS SAYS THAT HE UNCLASSIFIED

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MADE TO PREVENT THIS. I SHOULD LIKE TO ASK HIM WHAT RESPONSE HE HAS HAD FROM THE UNITED STATES, WHETHER HE HAS HAD SPECIFIC SUCCESS OR ANY REASON TO BELIEVE THAT THE UNITED STATES IS NOT PLANNING TO MOVE THAT OIL THROUGH THE STRAITS OF JUAN DE FUCA?

MR. SHARP: MR. SPEAKER, I THINK WE HAVE HAD SOME SUCCESS AT LEAST IN ACQUAINTING THE MEMBERS OF THE ADMINISTRATION OF THE UNITED STATES OF THE VERY SERIOUS DANGER, NOT ONLY TO CANADA BUT TO THE BORDERING AREAS OF THE UNITED STATES OF THE MOVEMENT OF THESE OIL TANKERS. THE SECRETARY OF STATE OF THE UNITED STATES HAS SPOKEN TO ME ABOUT THE POSSIBILITY OF SETTING UP A GROUP TO LOOK AT THIS PROBLEM. MY OWN VIEW IS THAT WE HAVE ONLY BEGUN TO FIGHT ON THIS ISSUE...THIS IS WHY I THINK THERE SHOULD BE A DISTINCT SPEARATION BETWEEN THE QUESTION OF THE APPROVAL OF THE TAPS LINE AND THE MOVEMENT OF OIL THROUGH THE NARROW STRAITS OF JUAN DE FUCA SINCE THERE HAS BEEN SOME CONFUSION ABOUT THIS. I HOPE THE STATEMENTS I HAVE MADE TODAY WILL HELP TO CLARIFY THE POINT. WE ARE NOT PARTICULARLY CONCERNED ABOUT THE MOVEMENT OF OIL ACROSS CANADA. WHAT WE ARE CONCERNED ABOUT IS THE MOVEMENT THROUGH THE NARROW WATERS, AND WE ARE MAKING A DISTINCT IMPRESSION BOTH UPON THE GOVERNMENT OF THE UNITED STATES AND UPON THE PEOPLE IN THAT AREA.

MR. STANFIELD: IN VIEW OF THE FACT THAT IT HAS BEEN THE ANNOUNCED INTENTION FOR A NUMBER OF YEARS TO MOVE THIS OIL THROUGH THE STRAIT OF JUAN DE FUCA, WOULD THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS EXPLAIN TO THE HOUSE WHY THE GOVERNMENT OF CANADA HAS ONLY BEGUN TO FIGHT?

MR. SHARP: MR. SPEAKER, I THINK I SHOULD REMIND
THE LEADER OF THE OPPOSITION THAT THERE IS A GREAT
DEAL OF OPPOSITION IN THE UNITED STATES TO THE TAPS
LINE. INDEED THE BILL N THE U.S. SENATE WAS ONLY
APPROVED BY A SINGLE VOTE, SO I THINK IT IS QUITE
RIGHT WE ARE ONLY BEGINNING TO FIGHT, BECAUSE NOW WE
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HAVE SOMETHING TANGIBLE TO FIGHT ABOUT. END QUOTE.
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